

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5461

IN THE MATTER OF:

Served November 20, 1998

Application of SOUTHERN COMFORT)	Case No. AP-98-41
LINES, INC., for a Certificate of)	
Authority -- Irregular Route)	
Operations)	

Applicant seeks a certificate of authority to transport passengers in irregular route operations between points in the Metropolitan District. The application is unopposed.

The Compact, Title II, Article XI, Section 7(a), authorizes the Commission to issue a certificate of authority if it finds that the proposed transportation is consistent with the public interest and that the applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

Applicant proposes commencing operations with three motorcoaches. Applicant's proposed tariff contains weekly rates for shuttle service under a contract with the District of Columbia Department of Employment Services.

Applicant filed a balance sheet as of September 1, 1998, showing assets of \$99,300; liabilities of \$94,200; and equity of \$5,100. Applicant's projected operating statement for the first twelve months of WMATC operations shows WMATC operating income of \$120,000; other operating income of \$120,000; expenses of \$228,000; and net income of \$12,000. Although applicant's debt/equity ratio is high, the Commission has found highly leveraged carriers financially fit where, as here, applicant is a going concern projecting net cash flow during the first twelve months of WMATC operations.¹

Applicant certifies it has access to, is familiar with, and will comply with the Compact and the Commission's rules and regulations thereunder.

Based on the evidence in this record, the Commission finds that the proposed transportation is consistent with the public interest and that applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

¹ E.g., In re Pioneer Coach & Travel, Inc., No. AP-98-13, Order No. 5318 (Apr. 30, 1998); In re Limo. Pleasures, Inc., No. AP-97-64, Order No. 5274 (Feb. 17, 1998).

THEREFORE, IT IS ORDERED:

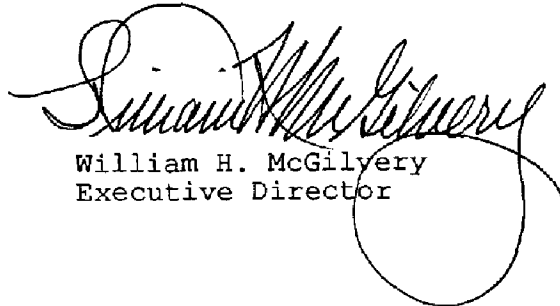
1. That upon applicant's timely compliance with the requirements of this order, Certificate of Authority No. 453 shall be issued to Southern Comfort Lines, Inc., 3626 Bainbridge Court, Waldorf, MD 20601.

2. That applicant may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until a certificate of authority has been issued in accordance with the preceding paragraph.

3. That applicant is hereby directed to file the following documents within thirty days: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) an original and four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) a vehicle list stating the year, make, model, serial number, fleet number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

4. That the grant of authority herein shall be void and the application shall stand denied upon applicant's failure to timely satisfy the conditions of issuance prescribed herein.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilvery
Executive Director